

RESOLUTION NO. 85-173

RESOLUTION ADOPTING A FORMAL POLICY AND PROCEDURE
TO GOVERN CONTRACT CHANGE ORDERS

RESOLVED, that the City Council of the City of Lodi does hereby adopt a formal policy and procedure to govern contract change orders as shown on Exhibit "A" attached hereto and thereby made a part hereof.

Date: December 4, 1985

I hereby certify that Resolution No. 85-173 was passed and adopted by the City Council of the City of Lodi in a Regular Meeting held December 4, 1985 by the following vote:

AYES: Council Members - Olson, Pinkerton, Reid, Snider
and Hinchman (Mayor)

NOES: Council Members - None

ABSENT: Council Members - None

ABSTAIN: Council Members - None


ALICE M. REIMCHE
City Clerk

RECOMMENDED POLICY & PROCEDURES

CONTRACT CHANGE ORDERS

Purpose

To establish formal policy and procedures to govern contract change orders.

Policy

. Definition

As used in this policy, a change order shall mean a written order to change the amount of work to be done on a formal contract awarded by the City Council which is anticipated to result in an increase or decrease in contract price. Change orders may not increase or change the scope of the project specified in the contract plans and specifications approved by the City Council.

. Department Head Authority

The responsible Department Head shall be authorized to approve and issue individual change orders to increase the contract price up to \$5,000 or 10% of the formal contract, whichever is larger. The aggregate total of all change orders to each contract may not exceed \$25,000.

. Authority of the City Manager

The City Manager may authorize change orders in excess of 10% of the formal contract or in excess of \$25,000 to avoid extraordinary delay of work or to protect the safety of human life and the environment at or near the work site. The City Manager shall report the change orders and the amounts to the City Council at its next regular meeting.

Procedure

Written change orders shall be submitted to the Finance Department to be added to the construction contract and encumbered against the specific appropriation prior to payment to the contractor. In the event unencumbered funds are not available a special allocation must be processed to increase the applicable appropriation.